

EXHIBIT 4

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

JAMES A. KNAUER, as Trustee for All Persons)
Making Claims Against Capitol Indemnity Corp.)
Bond No. 785636,)

Plaintiff,)

v.)

CASE NO. 4:11-cv-00144-SEB-WGH

T. HAROLD MARTIN,)
BRACK D. BRISCOE,)
SUPERIOR LIVESTOCK AUCTION, INC.,)
JOPLIN REGIONAL STOCKYARD, INC.,)

Defendants.)

TRUSTEE'S MOTION TO MAKE FINAL DISTRIBUTION OF BOND PROCEEDS

James A. Knauer, as Trustee for All Persons Making Claims Against Capitol Indemnity Corp. Bond No. 785636 ("Bond Trustee"), in support of his Motion states:

1. In this interpleader action, the Bond Trustee deposited with the Clerk into the Court's registry \$875,000 in bond proceeds that are insufficient to satisfy the \$37 million in claims made against the bond.

Status of Claims and Objection Rights

2. All claims against the Bond have now been finally adjudicated in this action, either by default,¹ agreed judgment,² dismissal,³ or judgment on the pleadings,⁴ and the time for appealing the adjudicated claims has expired. Moreover, the Court has

¹ As to defaulting defendants, see ECF Nos. 169 and 170 (expressly finding no reason to delay entry of final judgment under FRCP 54(b)).

² As to Gary Douglas Tate, see ECF Nos. 166 and 167 (expressly finding no reason to delay entry of final judgment under FRCP 54(b)).

³ See ECF Nos. 164 and 165 (expressly finding no reason to delay entry of final judgment under FRCP 54(b)).

⁴ As to Mid-Kentucky Livestock Market, LLC, see ECF Nos. 162 and 163 (expressly finding no reason to delay entry of final judgment under FRCP 54(b)).

approved the settlement of Superior Livestock Auction, Inc. n/k/a SLAI, Inc.'s claim against the Bond. (ECF No. 185).

3. On January 3, 2013, the Court ordered a mandatory telephonic status conference to be held on May 17, 2013, expressly notifying S&T Trucking Logistics, LLC; Rachel Phelps; Mid-Kentucky Livestock Market, LLC; Gary Douglas Tate; and Burke Livestock Auction, Inc. "that they must participate in the May 17th telephonic status conference if they wish to contest final resolution by the court of the claims at issue." (ECF No. 150 ¶ 2.)

4. At the May 17, 2013 telephonic conference, only Plaintiff James Knauer and Defendants Superior Livestock Auction, Joplin Regional Stockyard, and Gary Douglas Tate appeared, each by their respective counsel. (ECF No. 153.) Thus, the remaining parties relinquished their right to contest final resolution of the remaining claims.

5. Moreover, Gary Douglas Tate was served with a copy of the Motion to Approve Compromise and Settlement with Superior Livestock Auction, Inc., now known as SLAI, Inc. (ECF No. 184), but did not file any objections to the motion.

Schedule of Approved Claims and Pro Rata Distribution

6. Each claimant whose claim has been adjudicated as approved is entitled to a pro rata distribution of the remaining bond proceeds. Attached as **Exhibit A** is a schedule of the 145 approved claims, showing the approved amount, the pro rata percentage (rounded), and an estimated payout for each claimant.

7. During the pendency of this action, the Bond Trustee and his counsel have been paid a total of \$129,327.10 in fees and costs from the bond proceeds. No additional fees will be paid to the Bond Trustee or his counsel.

8. Thus, \$745,672.90 of the original principal amount of bond proceeds, plus any accrued interest, is available to distribute. The exact amount of accrued interest will not be finally known until the proceeds are paid out of the Court's registry.

9. Given the number of approved claims and Mr. Knauer's existing role as the bankruptcy trustee in Eastern Livestock's bankruptcy, and as a matter of convenience to

the Court, the Bond Trustee believes he is in a more convenient position than the Court to distribute the remaining bond proceeds to the claimants.

10. Moreover, on January 14, 2011, pursuant to Paragraph (e) of the Bond, the U.S. Department of Agriculture designated Plaintiff James Knauer to be the “Trustee to represent all claimants under this bond.” A copy of the letter of designation was attached as Exhibit B to the Amended Complaint.

11. The Bond Trustee therefore requests an order authorizing the Court Clerk to turn over to the Bond Trustee the remaining balance of Bond Proceeds, including all accrued interest, to be held in a separate non-interest bearing bank account and further authorizing the Bond Trustee to distribute such remaining amount to the bond claimants on a pro rata basis, according to the approved claims shown on the schedule attached as **Exhibit A**.

12. Based on past experience with mass distributions, the Bond Trustee anticipates that the checks to some claimants will be returned as undeliverable or remain uncashed for an unreasonable period of time.

13. Therefore, the Bond Trustee requests that the Order include a requirement that all checks processed for the pro-rata distribution to the claimants shall be endorsed with the legend: “Void after 90 days.”

14. Moreover, the Bond Trustee requests the Order to provide that in the event any Bond Proceeds are remaining as a result of uncashed checks 90 days after issuance, the Trustee may use the remaining Bond Proceeds to make a subsequent pro rata distribution unless, in the discretion of the Bond Trustee, the cost of distributing the funds would exceed the amount of available funds; in which case the Trustee may donate the remaining Bond Proceeds to the National Cattlemen’s Beef Association, a trade association that works to advance the economic, political, and social interests of the U.S. cattle businesses of which many claimants are a part.

15. Finally, upon distribution of all remaining bond proceeds, the Bond Trustee will file an accounting with the Court.

THEREFORE, the Bond Trustee requests possession of the remaining bond proceeds being held in the Court’s registry so he can make a pro-rata distribution to the

Claimants based on the approved claims listed on **Exhibit A**, and for all other proper relief.

KROGER, GARDIS & REGAS, LLP

/s/ Kevin D. Koons

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as Trustee*

CERTIFICATE OF SERVICE

I hereby certify that on February 27, 2014, a copy of the foregoing was filed electronically. Service of this filing will be made on all ECF-registered counsel by operation of the Court's electronic filing system. Parties may access this filing through the Court's system.

Claude Ray Bowles, Jr.
crb@gdm.com

Steven A. Brehm
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I further certify that on February 27, 2014, a copy of the foregoing was mailed, by first-class U.S. Mail, postage prepaid and properly addressed to the following:

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623 N. Main Street
P.O. Box 273
Hereford, TX 79045

/s/ Kevin D. Koons
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	A	B	C	D
1	Claimant	Adjudicated Claim Amount	Pro Rata % (Rounded)	Approximate Anticipated Payout
2	Alabama Livestock Auction, Inc.	\$ 155,669.96	0.90923%	\$ 6,779.90
3	Alfred Keeton Cooper	\$ 2,618.39	0.01529%	\$ 114.04
4	Allen Miller	\$ 2,555.38	0.01493%	\$ 111.29
5	Angie Honaker	\$ 858.01	0.00501%	\$ 37.37
6	Arab Livestock Market Inc. c/o Robbie Gibbs	\$ 36,574.97	0.21363%	\$ 1,592.95
7	Ashville Stockyard, Inc.	\$ 30,260.15	0.17674%	\$ 1,317.92
8	Athens Stockyard, LLC	\$ 369,093.11	2.15579%	\$ 16,075.14
9	Bill Warren	\$ 3,143.73	0.01836%	\$ 136.92
10	Blue Grass South Livestock Market	\$ 279,988.34	1.63535%	\$ 12,194.35
11	Blue Grass Stockyards of Richmond, LLC	\$ 181,440.99	1.05976%	\$ 7,902.31
12	Bluegrass - Maysville Stockyard	\$ 35,831.99	0.20929%	\$ 1,560.59
13	Bluegrass Stockyards East, LLC	\$ 26,796.22	0.15651%	\$ 1,167.06
14	Bluegrass Stockyards of Campbellsville	\$ 283,175.59	1.65396%	\$ 12,333.17
15	Bluegrass Stockyards, LLC	\$ 526,777.41	3.07679%	\$ 22,942.77
16	Bobby Groce	\$ 555.00	0.00324%	\$ 24.17
17	Bobby L. Stinnett	\$ 753.23	0.00440%	\$ 32.81
18	Brack D. Briscoe	\$ 9,894.15	0.05779%	\$ 430.92
19	Brad Flood	\$ 4,599.00	0.02686%	\$ 200.30
20	Bradbury & York Cattle	\$ 98,725.23	0.57663%	\$ 4,299.79
21	Brenda Gayle Hunt	\$ 2,054.12	0.01200%	\$ 89.46
22	Brystice Amanger Wright	\$ 656.72	0.00384%	\$ 28.60
23	Buffalo Livestock Auction, LLC	\$ 53,939.00	0.31505%	\$ 2,349.21
24	Cattleman's Livestock	\$ 82,902.14	0.48421%	\$ 3,610.64
25	Charles Graham Farms	\$ 441,387.97	2.57805%	\$ 19,223.80
26	Clinton Alton Darnell	\$ 154,536.60	0.90261%	\$ 6,730.54
27	Coffeyville Livestock Market LLC	\$ 19,889.50	0.11617%	\$ 866.25
28	CPC Livestock	\$ 624,326.35	3.64655%	\$ 27,191.33
29	Crumpler Brothers	\$ 106,691.01	0.62316%	\$ 4,646.72
30	Cullman Stockyard, Inc.	\$ 42,708.02	0.24945%	\$ 1,860.07
31	Dalton W Bragg	\$ 0.95	0.00001%	\$ 0.04
32	Dante Zago	\$ 34,093.10	0.19913%	\$ 1,484.86
33	Delphia Ann Garrett	\$ 5,821.91	0.03400%	\$ 253.56
34	Denwalt & Son Cattle Co.	\$ 51,413.40	0.30029%	\$ 2,239.21
35	Richard K. Wallace	\$ 48,621.86	0.28399%	\$ 2,117.63
36	Dickson Livestock Center, Inc c/o Terry Lemor	\$ 7,832.81	0.04575%	\$ 341.14
37	Brent Kuehny	\$ 160,335.21	0.93648%	\$ 6,983.09
38	Donald Richard Lyle	\$ 3,125.99	0.01826%	\$ 136.15
39	Doris Jean Depp	\$ 7,776.01	0.04542%	\$ 338.67
40	Neel Cattle Inc. d/b/a Dothan Livestock Co.	\$ 28,683.36	0.16753%	\$ 1,249.25
41	Doug Browning	\$ 1,033.78	0.00604%	\$ 45.02
42	Dwayne Smith	\$ 2,146.81	0.01254%	\$ 93.50
43	East Mississippi Farmers Livestock Company	\$ 16,383.48	0.09569%	\$ 713.55
44	Eicke Ranch II	\$ 53,351.74	0.31162%	\$ 2,323.63
45	Edwin A. Strickland	\$ 155,790.23	0.90994%	\$ 6,785.14
46	Farmers Livestock Marketing	\$ 24,191.92	0.14130%	\$ 1,053.63

	A	B	C	D
1	Claimant	Adjudicated Claim Amount	Pro Rata % (Rounded)	Approximate Anticipated Payout
47	Floyd Haywood Marr	\$ 2,192.82	0.01281%	\$ 95.50
48	Fort Payne Stockyard, Inc.	\$ 82,039.88	0.47918%	\$ 3,573.09
49	Thomas Linton Estes	\$ 106,796.71	0.62378%	\$ 4,651.32
50	Gabriel Moreno Medina	\$ 196,484.51	1.14762%	\$ 8,557.50
51	Garrett, Susan (Brilyn & Bailee)	\$ 866.29	0.00506%	\$ 37.73
52	Gary Douglas Tate	\$ 156,125.85	0.91190%	\$ 6,799.76
53	Gary Franklin Whitley	\$ 726.01	0.00424%	\$ 31.62
54	Gary Welch	\$ 102,971.41	0.60143%	\$ 4,484.72
55	Doyle G. Shipman	\$ 47,848.00	0.27947%	\$ 2,083.93
56	George E. Logsdon	\$ 620.04	0.00362%	\$ 27.00
57	Franklin Cattle Co.	\$ 501,030.00	2.92640%	\$ 21,821.39
58	Glenwild Stockyard, Inc.	\$ 13,227.30	0.07726%	\$ 576.09
59	Hardee Livestock Market, Inc.	\$ 26,806.10	0.15657%	\$ 1,167.49
60	Hardin County Stockyard, Inc.	\$ 26,195.92	0.15300%	\$ 1,140.91
61	Hilliard-McKettrick Investments, Inc.	\$ 76,136.30	0.44469%	\$ 3,315.97
62	Issac M. Boutwell	\$ 93.00	0.00054%	\$ 4.05
63	J.C. Willis	\$ 401.78	0.00235%	\$ 17.50
64	Jackie Estel Young	\$ 1,388.98	0.00811%	\$ 60.49
65	James H. Brass	\$ 157,606.47	0.92054%	\$ 6,864.25
66	James Lee Elmore	\$ 14,586.71	0.08520%	\$ 635.30
67	Janousek Farms, Inc.	\$ 58,915.31	0.34411%	\$ 2,565.94
68	Jason Haley	\$ 7,480.38	0.04369%	\$ 325.79
69	Jay Burford	\$ 1,942.60	0.01135%	\$ 84.61
70	Jeff A. Mowers	\$ 779.14	0.00455%	\$ 33.93
71	Jerry Wayne Jordan	\$ 22,734.84	0.13279%	\$ 990.17
72	Jesse W. Simpson	\$ 337.84	0.00197%	\$ 14.71
73	Johnny Bell	\$ 4,068.22	0.02376%	\$ 177.18
74	Joplin Regional Stockyards , Inc.	\$ 1,179,481.86	6.88909%	\$ 51,370.05
75	Joplin Regional Stockyards , Inc.	\$ 482,215.37	2.81651%	\$ 21,001.96
76	Keith Breeding dba B&B Farms	\$ 4,247.31	0.02481%	\$ 184.98
77	Kentuckiana Livestock Market, Inc.	\$ 109,304.82	0.63842%	\$ 4,760.56
78	Knoxville Livestock Auction Center	\$ 67,578.75	0.39471%	\$ 2,943.26
79	L&F Cattle (Troy Lathan & Joe Foote)	\$ 160,121.56	0.93523%	\$ 6,973.78
80	Lawrence O. Richard	\$ 1,084.33	0.00633%	\$ 47.23
81	Lenice H. Gibson	\$ 901.27	0.00526%	\$ 39.25
82	Lewis Randall Richard	\$ 421.13	0.00246%	\$ 18.34
83	Linden Stockyard Inc.	\$ 208,111.45	1.21553%	\$ 9,063.89
84	Lipscomb Bros Livestock Market	\$ 4,062.70	0.02373%	\$ 176.94
85	Livingston Stockyard	\$ 26,333.05	0.15381%	\$ 1,146.89
86	Louis Cernoch, Jr.	\$ 303,544.99	1.77294%	\$ 13,220.32
87	Lowell Eddie Claywell	\$ 1,478.59	0.00864%	\$ 64.40
88	Loyd Dale Page	\$ 1,919.94	0.01121%	\$ 83.62
89	Lynn D. Hirsch	\$ 33,142.20	0.19358%	\$ 1,443.44
90	Marion Bradford	\$ 1,957.89	0.01144%	\$ 85.27
91	Matthew Cameron White	\$ 3,848.37	0.02248%	\$ 167.61

	A	B	C	D
1	Claimant	Adjudicated Claim Amount	Pro Rata % (Rounded)	Approximate Anticipated Payout
92	McPhail Land & Cattle	\$ 54,968.66	0.32106%	\$ 2,394.05
93	Meridian Stockyards, Inc.	\$ 24,783.37	0.14475%	\$ 1,079.39
94	Michael A. Yeomans (Ocala Livestock Market)	\$ 27,501.12	0.16063%	\$ 1,197.76
95	Michael Wade Loula	\$ 52,731.60	0.30799%	\$ 2,296.62
96	Mid State Stockyards, LLP	\$ 95,916.68	0.56023%	\$ 4,177.47
97	Mid-Kentucky Livestock Market, LLC	\$ 24,206.17	0.14138%	\$ 1,054.25
98	Mid-South Livestock Center, LLC	\$ 273,816.02	1.59930%	\$ 11,925.53
99	Moseley Cattle Auction, LLC	\$ 670,949.88	3.91887%	\$ 29,221.92
100	Moulton Stockyard, Inc., c/o William Whiteshe	\$ 10,232.93	0.05977%	\$ 445.68
101	Natural Bridge Stockyard	\$ 26,592.18	0.15532%	\$ 1,158.17
102	Northern Livestock Video Auction	\$ 108,818.14	0.63558%	\$ 4,739.36
103	Northwest Alabama Livestock Auction	\$ 197,667.72	1.15453%	\$ 8,609.04
104	Okeechobee Livestock Market, Inc.	\$ 53,529.42	0.31265%	\$ 2,331.37
105	Ozarks Regional Stockyards, Inc	\$ 259,261.15	1.51429%	\$ 11,291.62
106	Phillip Taylor Reed	\$ 577,742.25	3.37446%	\$ 25,162.45
107	Piedmont Livestock Inc. c/o Joseph R. Jones	\$ 365,407.48	2.13426%	\$ 15,914.62
108	Randy Roberts	\$ 13,660.70	0.07979%	\$ 594.97
109	Robert Douglas Alberson	\$ 2,351.58	0.01374%	\$ 102.42
110	Roger Payne	\$ 1,300.22	0.00759%	\$ 56.63
111	Ron Herndon dba Pontotoc Stockyard	\$ 63,916.55	0.37332%	\$ 2,783.76
112	Ronald Rabich	\$ 2,848.73	0.01664%	\$ 124.07
113	Roy Anthony Depolitte	\$ 1,234.99	0.00721%	\$ 53.79
114	S&S Cattle	\$ 1,183.52	0.00691%	\$ 51.55
115	Sandy Froedge	\$ 238.42	0.00139%	\$ 10.38
116	Scotts Hill Stockyard c/o James Linville	\$ 32,670.57	0.19082%	\$ 1,422.90
117	3JC Family Limited Partnership	\$ 48,561.34	0.28364%	\$ 2,115.00
118	SLAI, Inc.	\$ 3,600,000.00	21.02679%	\$ 156,791.04
119	Tennessee Livestock Prodcuers, Inc. d/b/a So	\$ 67,783.56	0.39591%	\$ 2,952.18
120	Southeast Livestock Exchange, LLC c/o John	\$ 774,483.63	4.52358%	\$ 33,731.14
121	Southern Star Stockyard, Inc dba Pulaski Live	\$ 54,024.53	0.31555%	\$ 2,352.93
122	Spencer Thompson	\$ 1,187.51	0.00694%	\$ 51.72
123	Stephen A. Oelze	\$ 10,526.50	0.06148%	\$ 458.46
124	Steve Callis	\$ 8,655.66	0.05056%	\$ 376.98
125	Sumter Co. Farmers Market, Inc.	\$ 15,866.60	0.09267%	\$ 691.04
126	Tadlock Stockyard, Inc.	\$ 6,516.84	0.03806%	\$ 283.83
127	Tadlock Stockyard, Inc.	\$ 23,383.22	0.13658%	\$ 1,018.41
128	Tate Thoreson dba Thoreson Ranch	\$ 52,224.08	0.30503%	\$ 2,274.52
129	Tennessee Livestock Producers, Inc. (Columb	\$ 51,664.80	0.30176%	\$ 2,250.16
130	Thomas County Stockyards, Inc	\$ 46,683.35	0.27267%	\$ 2,033.20
131	Thomas J. Svoboda	\$ 159,670.28	0.93260%	\$ 6,954.13
132	Thomas Rodgers Glover	\$ 62,707.24	0.36626%	\$ 2,731.09
133	Thompson Brothers	\$ 1,563.15	0.00913%	\$ 68.08
134	Timothy Blackistone	\$ 199.02	0.00116%	\$ 8.67
135	Timothy Watts Napier	\$ 765.03	0.00447%	\$ 33.32
136	Todd Newport	\$ 1,480.26	0.00865%	\$ 64.47

	A	B	C	D
1	Claimant	Adjudicated Claim Amount	Pro Rata % (Rounded)	Approximate Anticipated Payout
137	Tri-County Livestock Exchange	\$ 22,928.47	0.13392%	\$ 998.61
138	Wayne Tupper	\$ 52,732.44	0.30800%	\$ 2,296.66
139	Turner County Stockyard	\$ 95,480.56	0.55768%	\$ 4,158.47
140	Tyler McCombs	\$ 1,047.66	0.00612%	\$ 45.63
141	United Producers, Inc.	\$ 250,254.00	1.46168%	\$ 10,899.33
142	Valley Stockyard	\$ 57,104.36	0.33353%	\$ 2,487.07
143	William C. Bush	\$ 45,135.91	0.26363%	\$ 1,965.81
144	Walter B. Hills	\$ 97,443.25	0.56914%	\$ 4,243.95
145	West Kentucky Livestock Market	\$ 169,463.05	0.98980%	\$ 7,380.64
146	Ray Welch	\$ 18,790.34	0.10975%	\$ 818.38
147	Totals	\$ 17,121,019.61	100.00000%	\$ 745,672.90

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

JAMES A. KNAUER, as Trustee for All Persons)
Making Claims Against Capitol Indemnity Corp.)
Bond No. 785636,)

Plaintiff,)

v.)

CASE NO. 4:11-cv-00144-SEB-WGH

T. HAROLD MARTIN,)
BRACK D. BRISCOE,)
SUPERIOR LIVESTOCK AUCTION, INC.,)
JOPLIN REGIONAL STOCKYARD, INC.,)

Defendants.)

ORDER APPROVING TRUSTEE'S MOTION
TO MAKE FINAL DISTRIBUTION OF BOND PROCEEDS

This matter comes before the Court on the *Trustee's Motion to Make Distribution* (the "Distribution Motion") filed on February 27, 2014. The Court having considered the Distribution Motion now finds that all claims against the Bond have been finally adjudicated, and all rights to object have been extinguished, and it is, therefore,

ORDERED, that the Clerk of the Court shall pay over to the Bond Trustee all remaining funds being held in the Court's registry under this Cause Number;

FURTHER ORDERED, that the Trustee shall hold such funds in a non-interest bearing bank account until distribution;

FURTHER ORDERED, that the Trustee is authorized to distribute such remaining funds to the Claimants on a pro rata basis according to the schedule of approved claims as shown on **Exhibit A** which is attached to the Distribution Motion;

FURTHER ORDERED, that all checks processed for the pro rata distribution shall be endorsed with the legend: "Void after 90 days";

FURTHER ORDERED, that in the event any Bond Proceeds are remaining as a

result of uncashed checks 90 days after issuance, the Bond Trustee may use the remaining Bond Proceeds to make a subsequent pro rata distribution unless, in the Bond Trustee's discretion, the cost of distributing the funds would exceed the amount of available funds; in which case the Trustee may donate the remaining Bond Proceeds to the National Cattlemen's Beef Association; and

FURTHER ORDERED, that upon distribution of all such funds, the Bond Trustee shall file an accounting with the Court.

SO ORDERED, this _____ day of _____, 2014.

Judge

DISTRIBUTION:

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